

110.00 RECORDS

This section describes records necessary in administering a project.

110.01 LEDGERS**Ledger Sheet**

A Field Ledger Sheet must be prepared for each pay item in the contract. Also, any additional items for payment (or reduction) listed on the progress and final estimate must be supported by a ledger sheet.

Each pay item is to be entered by units as completed and a source document shown for each entry. The source document will usually be an inspector's diary, pay item sheet or load tickets. In some cases, cross sections, the mass diagram, computer runs or other material may be the source document. In any case, the source document must be recorded on the field ledger sheet.

Usually, entries will be made each day work is performed if the work is of a nature that pay units are completed. Examples of items in this category are aggregate base, asphalt applied, plant mix, concrete, etc. Other items may be posted periodically (usually weekly or as established by the Resident/Regional Engineer) if the work covers several steps requiring considerable time before acceptance can be made. Examples of such items in this category are fence, guardrail, clearing and grubbing, etc. Items completed during the progress of the project should be declared final as soon as possible.

The "checked by" column should be filled out when the posted quantities have been checked to the source document. This is a posting check only, all other checks shall be considered as specification and mathematical accuracy checks.

The top portion of the ledger provides a record of the contract or authorized quantity and any changes thereof. A comparison of the authorized and actual quantity should be made periodically and a quantity variance request should be prepared when significant overruns or under-runs are anticipated or apparent. See Section 104.02 for criteria requiring a QVR.

On single or multiple projects let under one contract, the cost accounting procedures are as follows:

- A. A single ledger sheet will be prepared for each contract item listed in that contract.
- B. Quantities will be posted progressively.
- C. Change orders and QVRs will be entered.
- D. Ledgers will be cross-referenced and estimate vouchers prepared at least monthly. (See Manual, Section 109.05, Partial Payments, for details.)
- E. Each ledger will have a master sheet that lists the contract number on multiple projects. Also, the percent each project and section is of the total contract will be listed. These percentages will be determined from the detailed estimate. For ready reference, it is suggested to place the detailed estimate in the front of each ledger.

- F. The project which construction engineering is to be charged shall be listed on the ledger. The project number with etc. will represent all the projects in the contract. Ledgers for the other items in the categories of A-1 and A-2 above will list the actual project number.

When project ledgers must be corrected due to errors, delete the incorrect entry and “repost” the correct entry to avoid any confusion resulting from the new entry.

110.02 MATERIALS INSPECTION SUMMARY AND CERTIFICATION

See the Department’s Quality Assurance Manual for material inspection summary and certification requirements.

110.03 DIARIES

General

The purpose of a diary is to provide the State with a complete and accurate record of the contractor's operation and support the fact that the project was constructed in conformance with the Plans, Specifications, and Special Provisions. The diary provides facts and figures to justify pay quantities and information to analyze a contractor's claim for extra work or changed conditions. *Force account type records should be maintained whenever there is a possibility of a contractor's claim (See Manual Section 109.03.).*

Preparing and Submitting Diaries

Items to be included or procedures to use in preparing the construction diary are located shown on the front cover of Form ITD-0025 and in form finder on the ITD intranet. Complete the diary throughout the day as the work happens. Do **not** take notes and then write the official diary at a later time. Electronic diaries are acceptable if they are being completed throughout the day (e.g. on a laptop computer in the field).

Project personnel responsible for controlling and reporting quantities will prepare and submit the ITD-0025, Standard Construction Diary and supporting source documents, on a daily basis.

When multiple projects are let under one contract, quantities should be reported to the appropriate project funding code according to actual placement on the project. Both stations and funding codes should be reported with pay quantities to assist office personnel and District Records Inspector in cross checking reported quantities. Bid items shown in summaries, proposals, and estimates are to be used only as a guide in identifying locations and estimated quantities of the items. Proration is permissible for items such as mobilization, lump sum items, trainees, and traffic control based on detailed estimates. Questions regarding charges to projects should be directed to the Projects Unit of the Financial Control Section.

The Resident/Regional Engineer or designee in charge of the project should review and initial all project diaries. It is the Engineer's option to file project diaries by date, operation, or the reporting individual. Diaries should be prepared in ink or electronically. Avoid the use of light blue colors. Personnel should be encouraged to print rather than use longhand. Diaries become a source document when used to report quantities.

110.04 PAY DOCUMENT INSPECTION PROGRAM

General

A suitable check for accuracy, documentation, computations, etc. is an important part in any engineering effort.

All quantities shall be verified by a checking process directed by the Resident/Regional Engineer within the Residency/Region. To the extent possible, computing and checking should progress concurrently with the project. The project records should indicate the initials of the computer and the checker, along with the dates when the work was completed. For signatures, print the name and then sign above.

Routine records checking will help detect errors and omissions early, keep the checking current, and expedite complete payment as each phase or item is finalized. This check of quantities must eventually assure that the items were correct from source to final estimate. It shall verify computations, documentation of activity, compliance with specifications, policies and procedures, and mathematical accuracy.

The District Engineer shall also verify the accuracy of final estimate quantities through a system of concurrent independent checking of project records. The District Records Inspector will be assigned this responsibility. More details covering the records inspection review program may be found in the District Record Inspector's desk manual.

Independent Inspection

The independent inspection provides the following:

- A. Assisting project personnel in setting up the necessary records, files, and ledgers on all projects.
- B. Routine checking of project records as the work progresses.
- C. A complete check from source document to final estimate of all items checked.
- D. A written report of findings must be submitted after each inspection.
- E. At the District's option, a status report will be submitted to the District Engineer each month on the review work performed by the District Records Inspector.
- F. The final estimate must be reconciled with the project ledger by the District Records Inspector prior to submittal to the contractor.

- G. The final report (ITD-1996) must be submitted with the final estimate to Financial Services. If this is not possible, then a letter of explanation is required.

The Records Inspector should make arrangements with the Resident/Regional Engineer to independently audit records as items are completed. Quantities must be computed and checked by project personnel prior to this audit. All records and computations, which the Records Inspector has verified for accuracy and compliance, are to be indicated by audit symbols and/or initials and date on the source document, filed ledger, and/or on the audit work papers.

Any additional help required to keep the records inspection current should be provided from personnel that are not assigned to the Resident/Regional Engineer in charge of the project.

Written reports will keep the district informed of the status of records, payment, and checking and provide a record for the project files. The report should point out any discrepancies and corrective action taken. The Records Inspector should not make changes in the records. Any discrepancies should be rechecked by the project personnel and corrections (if any) made by them with proper documentation of the action taken. The necessity of rechecking may be determined by the District Engineer if the dollar value is insignificant.

Disposition of Adverse Findings

Procedural deviations (not minor mathematical errors) will be reported to the District Engineer as soon as they are discovered. Differences which have not been resolved at the time of the final estimate will be presented on the DH-1996, Final Inspection and Review of Final Estimate and Records, for written disposition by the District Engineer.

If the disposition letter is prepared by the Resident/Regional Engineer, it should either be signed by the District Engineer or accompanied by a letter indicating concurrence by the District Engineer.

The letter should contain at least the following information:

- A. Brief History.
- B. Give justification for accepting the exception.
- C. Assurance that material was received.
- D. Corrective action taken. (What is being done to prevent happening on current and future projects.)

On Federal-aid projects, recommendations for federal participation or nonparticipation must be included in the letter. On State projects, acceptance for final payment should be recommended.

110.05 RECORDKEEPING ON SPECIAL PROJECTS**General**

These procedures are to be followed on projects completed by local forces under actual cost agreements, safety program projects, and projects completed by state forces involving federal funds. These procedures are not to be used when the project involves only utility or railroad work, such as railroad grade crossing projects, when the work is accomplished by the utility or railroad company. (Reference Construction Manual 105.07.)

Project Administration

The District Engineer will assign an Engineer to each project. This assignment should be given to an individual whose construction knowledge is commensurate with the type and complexity of the project. This may be a Resident/Regional Engineer, Traffic Engineer, or Maintenance Engineer depending on the type of project involved.

A meeting should be held between the Engineer and the local agency prior to beginning work to clarify what is required of them. It should be pointed out that the work performed and documents supporting this work must be in accordance with OMB Circular A-102 and FMC A-87. (Copies of which should be given to the local agency if they are not familiar with the contents. See DRI manual for these documents.) Minutes of this preconstruction meeting should be maintained for the project files, and a copy submitted to the Materials Supervisor.

Inspection

The inspection required on these projects will depend on the complexity and nature of the work and will be at the discretion of the Resident. A final acceptance letter from the District Engineer will be required on all projects with charges to CN, UT, SF or ER to verify completion and compliance with plans and specifications.

Materials Inspection and Acceptance

Small quantities of miscellaneous materials may be accepted by the Resident's visual inspection documented on Form ITD-854 for submittal with Form ITD-852, Final Materials Inspection Summary. Form ITD-853, Materials Inspection Summary, should be submitted as needed.

Materials taken from the stock of a local unit of government can be accepted by a certification provided by a responsible representative of that unit of government. For larger quantities of material (or material supplied by the State), the local governmental agency (or state) should obtain a certification from the supplier. This will then be submitted with the ITD-854.

Form ITD-852, Final Materials Inspection Summary, must accompany Form ITD-854, Inspection of Contract Items, and be submitted to the Materials Supervisor for approval.

Changes

Any changes in plans, specifications or agreements should be handled by change order. The local agency will be shown as the contractor.

Forms and Reports

The following forms and reports are required on all special projects:

- A. ITD-2242 required on all projects.
- B. Materials certification on all projects (Forms ITD-852 and ITD-854).
- C. Final acceptance letter from District Engineer is required on all projects except those done by state forces.
- D. Final Inspection and Review of Final Estimate and Records (ITD-1996) will be required on all projects. The audit conducted by the District Record Inspector shall be in accordance with requirements outlined in OMB Circular A-102 (Attachment P).
- E. The Invoice Entry and Tracking Form should be prepared when required. The form should be signed by a responsible representative of the local jurisdiction performing the work.

Form FHWA-47, Statement of Materials and Labor, is not be required on these projects.

110.06 CONSTRUCTION PHOTOGRAPHS

A good set of photographs is an invaluable supplement to project records. The following are suggestions and tips:

- A. Take pictures of situations which need to be a part of the project records and which are difficult to adequately describe.
- B. Take pictures of any situation that you suspect might develop into a claim.
- C. Fill up the viewing screen with the object you are trying to show.
- D. F. To be admissible as court evidence, photographs must be documented properly.
- E. If possible, take pictures of the project before construction begins.
- F. When accidents occur on the project, get pictures of the traffic control devices which existed at the time of the accident.